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. . . . The 88th meeting of the CIA RETIREMENT BOARD
convened at 2:00 p.m. on Thursday, 9 May 1968, with the following
present:

25X1A9a

[REDACTED] ting Chairman .
[REDACTED] DDP Member
[REDACTED] DDP Member
[REDACTED] Member
[REDACTED] T Member
[REDACTED] OS Member
[REDACTED] al Adviser
[REDACTED] hical Adviser
[REDACTED] Executive Secretary
[REDACTED] Recording Secretary

25X1A9a

[REDACTED] I'd like to call the meeting to order.

How about the Minutes of the last meeting - are there
any suggested changes? (No response.) If there are none, we
will consider them okay as is.

As usual, I have a few little things here that I'd like
to get out of the way before we move on to the cases that are on the
agenda today.

First of all I'd like to also let you know that the

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Executive Director approved the domestic qualifying service action on

25X1A8a

[REDACTED] He was the [REDACTED] and

25X1A9a

so on. That case came back approved by the Executive Director.

And the next one is this [REDACTED] case, and this
is about to move forward, and it's to move forward to the Director
with Mr. Wattles commenting on the Board's recommendation that

25X1A9a

[REDACTED] service be extended until 31 July 1969. If you recall,

there was quite a bit of discussion when this case was considered -

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[REDACTED] specifically dissenting from this action, feeling that

25X1A9a

[REDACTED] should be given a time limit. And then we agreed that we

would check with the External Employment Assistance Branch to see

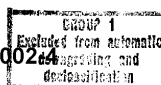
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just what [REDACTED] had done -- and let me read this memo from

25X1A9a

[REDACTED], the Deputy Chief of the Retiree Counseling Placement

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Staff. This memo is dated 3 May 1968.

MEMORANDUM FOR: Special Assistant to the DDS for Special
Studies

SUBJECT: [REDACTED]

1. [REDACTED] was in Headquarters on 9 January 1968, and was seen by [REDACTED] of External Employment Assistance Branch, RCPS. At that time, he redrafted an employment resume which was approved by Security and Cover and forwarded to [REDACTED] on 21 February 1968. At the time of the interview [REDACTED] stated that he planned to pursue job leads of his own in the hospital administration field in the New York City area. The External Employment Assistance Branch has not had any further correspondence from [REDACTED] since 9 January 1968.
2. RCPS contacted [REDACTED] of DCS who has maintained contact with [REDACTED] in reference to his job search efforts. Mr. [REDACTED] has assured us that [REDACTED] has consistently tried to locate jobs in the New York area but has been unsuccessful. It is not known whether [REDACTED] has had suitable job offers which he has not accepted. [REDACTED] confirms that [REDACTED] has submitted a new request for extension to July 1969. The Director of DCS has endorsed this request.
3. DCS appears to be sympathetic to [REDACTED] personal circumstances (primarily financial) and readily endorses his request to stay with the Agency. If this receptiveness has been conveyed to [REDACTED] there is a question as to how energetically [REDACTED] is pursuing outside employment leads. It is difficult to believe that [REDACTED] has not had job offers -- including offers which may have been unsuitable and which he might properly decline.
4. The question at this point is who is to press the issue with [REDACTED] RCPS is working through and in cooperation with the career service. In this instance there is no indication at this time that DCS is inclined to pressure [REDACTED]. On the basis of [REDACTED] conviction that [REDACTED] has made continuous efforts to locate another job, albeit unsuccessful to date, it is difficult to question his efforts.
5. Since [REDACTED] has seen fit to request another extension the solution may be to request [REDACTED] to come to Headquarters and provide a detailed explanation of his efforts, including information on possible offers which he has declined. It's quite possible that [REDACTED] has set salary requirements to meet his needs beyond the limits to expect consideration.

/S/ [REDACTED]
DC/RCPS

Bob Wattles has read this memorandum -- and read this whole case -- and I believe he's about to make a recommendation, going to the Director, that this extension be limited to just one more year. Now, this would be sort of supplementary to the Board's recommendation and

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I just wondered if there was any further feeling on the part of anyone here on this recommendation. In other words, the original recommendation was just that his retirement be further deferred until 31 July 1969. The Board concluded that this extension should be granted with the proviso that [REDACTED] continue his own efforts to obtain other employment, as well as continuing to work with the outplacement office during this period. That was the Board's recommendation. We now have this indication that it's going to kind of rock along--

[REDACTED] What is Bob Wattles' recommended date--

[REDACTED] That this be his last extension - this extension to July, 1969.

[REDACTED] Then he's saying the same thing that the Board recommended.

[REDACTED] But Bob wants to add that there should be no further extension.

[REDACTED] That this be his last extension.

[REDACTED] And that is Bob Wattles' privilege, of course. I'm just passing this along to the Board along with the results of this first crack at how hard has [REDACTED] tried to get a job.

[REDACTED] Well, we were told that this was the way the Director was endorsing his approvals anyway.

[REDACTED] Yes, there is a chance it would have come back that way anyhow.

Well, okay -- we have no strong feeling either way.

Now, we have two medical disability retirements.

Time kind of runs out on these as sick leave runs out. They are both fairly routine. Both are in the CIA Retirement System. One is the case of [REDACTED] which concludes with: It is the evaluation of the Board of Medical Examiners that the disability of [REDACTED]

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is permanent. And the other case is that of [REDACTED] and this

one also concludes with: It is the evaluation of the Board of Medical

25X1A9a

Examiners that the disability of [REDACTED] is permanent. I have the

25X1A9a

details here, if anyone is interested. We also have a Memorandum

for the Record from Ben saying that [REDACTED] has assured him that

25X1A9a

neither [REDACTED] have any basis for a BEC claim.

Do I hear a motion on accepting the disability retirements
in these two cases?

25X1A9a

[REDACTED] I move they be accepted.

I would like to hear what the problem is.

On either one? or on both?

Both.

25X1A9a

[REDACTED] has been diagnosed as having
recurrent nephrolithiasis.

25X1A9a

[REDACTED] What does that mean, in English?

I don't know. It sounds like a kidney problem.

(Reading from file) "In accordance with your request of 23 January, a

Board of Medical Examiners was convened. The membership was:

25X1A9a

Dr. Tietjen, [REDACTED] a physician in private

practice in Alexandria, Virginia." This is something written by

the man himself -- "I am an idiopathic kidney stone former. Through

1966 frequency of kidney attacks was at approximately two year intervals.

Early in 1967, however, my condition worsened radically, with constant

output of calcium crystals and stones from August through present time."

This Medical Board diagnosed it as recurrent

nephrolithiasis -- (reading) "This condition necessitated his early

25X1A6a

return from a PCS assignment at [REDACTED] It is considered likely

that subject will continue to experience difficulty in the future. It is the

evaluation of the Board of Medical Examiners that the disability is

permanent."

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25X1A9a [REDACTED] It's not idle curiosity, Harry -- because I don't propose ever to accept a doctor's statement that the person is not a possible BEC case. I don't think that is a doctor's function. I'll

25X1A9a take [REDACTED] word for it, but not a doctor's.

25X1A9a [REDACTED] This has [REDACTED] signature on it. 25X1A9a

[REDACTED] Oh! You didn't say that. You said it was a doctor signing it.

25X1A9a [REDACTED] We have a Memorandum for the Record by

25X1A9a [REDACTED] in which he said he consulted with [REDACTED] concerning 25X1A9a

any possible BEC implications. Now Ben is not saying, "And I also agree there are no BEC implications" - but I think that--

25X1A9a [REDACTED] I think that is implicit. I would like Ben to say it, though -- because Ben knows the problem. If you had told us that before, I wouldn't have asked my question.

25X1A9a [REDACTED] Murray, will you pass that along to Ben, please - that his opinion is greatly valued by OGC.

25X1A9a [REDACTED] As an aside, I've had doctors say "no BEC" and they have simply been wrong.

25X1A9a [REDACTED] In the other case it's a convulsive disorder -- post traumatic and passive aggressive personality -- acute recurrence of pancreatitis -- recurring black-out spells. Again, it seems to be an organic thing. And again we have the same statement from Ben on BEC.

Okay. Now, finally, we can go to the agenda and the review of cases. The first one is a group of employees who appear to meet the basic criteria for designation as participants and have completed more than 15 years of Agency service.

25X1A9a [REDACTED]: I move we offer them an election.

[REDACTED] Second.

. . . This motion was then passed . . .

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25X1A9a [REDACTED] We have one gentleman who appears to meet the basic criteria for designation, who will complete 15 years of Agency service on the date indicated and therefore is subject to review at this time -- [REDACTED]

25X1A9a [REDACTED] I move we offer him an election when the time is ripe.

25X1A9a [REDACTED] Second.

. . . This motion was then passed . . .

25X1A9a [REDACTED] Case No. 3 is a request for extension of retirement date under the CIA Retirement System for one month, from 30 June to 31 July, 1968 -- [REDACTED] Office of Finance.

25X1A9a [REDACTED] case, as you undoubtedly have read, is based on the fact that her lump sum annual leave payment will be greater if she retires in July after the effective date of the next pay raise -- and the actual amount she would get as a direct result of that is \$88.00 extra. As a by-product of working another month she obviously will have a little higher annuity, which amounts to about \$41.00 extra per year. And of course she would have another month's salary - which would be about \$928, as against a monthly annuity payment of \$533, so it would mean \$395 extra.

Now I'd like to make a couple of comments, and then we can all discuss it. My feeling is, the idea that if I work another month my annuity is higher, or I'll get a month's pay instead of an annuity, is such an obvious thing to anybody who wants an extension, that that in itself doesn't seem like a good reason, to me -- not when you have an overriding retirement policy. The \$88.00 is something different. Of course, we're now faced with - we don't even know if that is for sure -- we might well find that as a result of the additional budget cut that that will be postponed until September, or some such thing.

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So, I throw it open to discussion, with that unprejudiced start.

25X1A9a

[REDACTED] I'm sympathetic to this, but if we have two grounds for extension which are in the public interest -- one is the needs of the service, and the other being hardship -- how do we handle this type of thing? Wouldn't this be, for the first time, a third reason?

25X1A9a

[REDACTED] I suppose it's minor hardship.
[REDACTED] That is my point. If you could take the statement of Mr. Fuchs that it would be of help to her in adjusting to retirement-- Well, that would be the same with anyone who was not truly a hardship case. I don't know how we're going to handle this, unless we add--

25X1A9a

[REDACTED] I think we sort of establish a precedent here, because there may be others whose retirements are coming up in June. But it would go beyond that, because any time there was a pay increase those who just missed it by reason of retirement would be encouraged to request a short extension so that their lump sum payment would be at a higher rate.

25X1A9a

[REDACTED] There happens to be only one other person retiring in June under the CIA System, but there are 10, as of right now, retiring in June under the Civil Service System. So I think we would be faced with the question, do we go back to them-- This is a Finance girl, who thinks this way. To make it even worse, in projecting this into the future -- as you recall, June of 1969 is rather a key date because of the two year extension that was given to everybody, and at the present time we have 92 people lined up to retire in June 1969. Now if all goes well there will be another pay raise on 1 July 1969 and we will be facing this same sort of thing for all 92 people.

The one last thing I wanted to say was that we finally

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are addressing ourselves, in a memo to the Director, to an effort to get 60 days extension authority for the Director of Personnel, for administrative, common sense reasons.

Now I must admit that I would feel very differently if we here could say - "All right, let's give her 30 more days" -- it would certainly be easier, I know, if the Board could recommend it, and the Director of Personnel could sign off on it, and that would be that. But to paper this thing up to send it to Red White and to the DCI, to extend her for \$88.00, kind of leaves me cold.

25X1A9a [REDACTED] I have another reaction. It's not a legal one. Here is a girl who has worked for us for 21 years, and she asks for 30 days, and we say no -- I think that is pretty chintzy. It just seems that this is a very small thing for a career employee to ask--

25X1A9a [REDACTED] How do you relate it to all the others?
Just common sense.
But they didn't ask--
They haven't asked. She did.
Well, that is why I said I was sympathetic to a case of this kind but I think we have to have something more by this Board -- unless the D/Pers gets that administrative authority you're talking about.

25X1A9a [REDACTED] -- a little common sense in administration.
But in the absence of this D/Pers authority-- This is the CIA System, and 60 is mandatory -- and we are not even sure we will get the OGC to agree that the Director can delegate extension authority of even 60 days to the D/Pers for the CIA System. I don't think there will be any problem under the Civil Service System. So I think we have to go that route, to be sure of that.

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But John, you know, this really is going to apply
to so many people who have a lot of years of service--

25X1A9a [REDACTED] I know. I just want to see some argument
on the other side, that's all.

25X1A9a [REDACTED] I think we're all sympathetic. But she
has known about this date for years now, and then all of a sudden she
needs 30 more days, and I think it's really for the reason she gave -
that she would like to pick up --

25X1A9a [REDACTED] Maybe this should come under the heading
of those benefits we should all think about to soften (the impact) of
our system. This is one of the things one might consider in a
package--

25X1A9a [REDACTED] I wouldn't think it would necessarily be bad
if this same thing happened in June, 1969, if the case was as meritorious
as hers. This is not only a CIA problem. There must be hundreds
of people in the Government that are affected every time there is a
pay raise, who if they could work just a little bit longer would get a
lump sum leave payment in a greater amount.

25X1A9a [REDACTED] What happens if this pay raise doesn't pass
and they want until September? Do we give them two more months?

Well, do we have any semblance of a majority feeling
here? How do you feel about it, Vern?

25X1A9a [REDACTED] I'm sympathetic, Harry -- I think I'll
vote for the extension, myself.

25X1A9a [REDACTED] How many are for it?

25X1A9a [REDACTED] I'm not against it.

25X1A9a [REDACTED] I'd want a reason in keeping with the
way we have developed the policy. I mean, I'd like to be able to say
that it's a hardship case and we're extending for one month, and try
to base it on some justification. I mean, if she had just alleged

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something in her paper here--

25X1A9a

[REDACTED] I don't think you can read a true hardship

25X1A9a

into this one. I think it's exactly for what [REDACTED] said it was--

25X1A9a

[REDACTED] That's one of the reasons I'm sympathetic, because she was being very straightforward about it.

25X1A9a

[REDACTED] All she is saying is, "Hey, CIA, do me a favor."

25X1A9a

[REDACTED] Should the Board pass on that? Now the Director has a perfect right to extend -- but I suppose he would want a recommendation from the Board--

25X1A9a

[REDACTED] Of course, and from the Director of Personnel.

[REDACTED] I just would find it very difficult -- because the next time somebody might come in and ask for two months, and the next one for three months -- and just where do you draw the line?

25X1A9a

[REDACTED] I think that is really my concern. We just had a case in my office recently - [REDACTED] - where we finally said, "June is it." We had already given one extension. But she wanted an extension for essentially the same reason that this girl wants it. What about the people like Helen that we've already told "no"?

25X1A9a

[REDACTED] If we get that 60 days extension authority we shouldn't have this problem any longer.

25X1A9a

[REDACTED]: How soon do you intend to go forward on that?

25X1A9a

[REDACTED]: We're going forward right away. But it takes time. We could get an approval next week. I don't know -- but we will certainly try. But we do have a bit of a problem, I think, in the OGC.

25X1A9a

[REDACTED] I would oppose an extension here, just as

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we have for others.

25X1A9a [REDACTED] Well, I'm sympathetic to the woman but it doesn't seem like an awfully good reason -- it just doesn't fit the criteria that we have established in the past.

25X1A9a [REDACTED] She thinks it's a good reason. And I think there's a great deal to closing out a long career with good thoughts in the person's head, as opposed to - "They wouldn't even give me that little thing!"

25X1A9a [REDACTED] This girl worked for me in [REDACTED] 25X1A6a 18 years ago, and I talked to her about two months ago and she was completely happy about her June 30th retirement -- no problem at all. So this is a thought she had just recently -- and there's nothing deep-seated about this, believe me. And I think if we get caught in the trap of trying to make all these little last minute adjustments, we're in a level of business I don't think we should be. I would rather the Director of Personnel would have the 60 days dispensation that he could administer.

25X1A9a [REDACTED] I would like to go back to saying if we have the delegation of 60 days--

25X1A9a [REDACTED] Is there a chance that could be delegated by the next meeting? Could we defer this case until the next meeting? And if the D/Pers by that time has the authority, we won't have to consider the case, really.

25X1A9a [REDACTED] She submitted it three months ago. Although Mr. Fuchs wrote his memo a month ago, she submitted hers three months ago.

25X1A9a [REDACTED] I've talked to her since then and she didn't bring this up.

. . . [REDACTED] joined the meeting

25X1A9a at this point . . .

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25X1A9a

[REDACTED] I suppose there is an outside chance we could get approval on this D/Pers authority before the next meeting.

25X1A9a

[REDACTED] Well, I'd be for trying.

[REDACTED] I would, too.

[REDACTED] Okay. Murray, can you convey this

sort of through channels that we're delaying this? I assume that it isn't going to hurt her very much to wait. She doesn't have very firm plans that would rest on this extension--

25X1A9a

[REDACTED] No, but Finance has called me a couple of times.

25X1A9a

[REDACTED] What are your thoughts, now, Harry -- are you going to try to get in touch with all the other people who might be similarly benefitted? Or how do you think you might administer it?

25X1A9a

[REDACTED] I would be inclined not to, to tell you the truth. I would feel we should, but it would mean stirring up--

25X1A9a

Alan, to bring you up to date -- I think you've read the [REDACTED] case -- everybody seems to think it would be nice to give her this month, but how can you really do it? I have also indicated that we're drafting a letter now requesting that a 60 day administrative, common sense type extension authority be given to the Director of Personnel. If we had that authority we could take care of this case at this level. There's a reluctance, I think, to go forward to the Director on the basis: Will you approve this extension to give this girl an extra \$88 on a pay raise that may or may not be effective in July.

25X1A9a

[REDACTED] In anticipation of this, Harry, I talked to Bob Bannerman about this to see if he could give us a reading on how he thought the front office might react on these -- because there may be quite a few coming up that will want an extension so as to catch a pay raise or something. And he said he really didn't have

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any clue as to how this would work out, and the first case that is presented should point out the reasons for the Board's recommendation, if it is favorable, and just learn by experience.

25X1A9a

██████████ Well, I think we have a motion here now, and that is: Can we duck this one for two weeks in the hope that we may have this 60day authority at the D/Pers level and be able to do this without going up to--

25X1A9a

██████████ Then you're not surfacing the problem to the Director. And how do you know -- he might want to give the D/Pers the administrative authority to make it convenient for somebody to retire at the end of the year -- but now you're talking about catching pay raises. Or we might have one come up where a man has an emotional thing about being allowed to finish 20 years with the Agency, and that sort of thing.

25X1A9a

██████████ Well, the 60 day authority is going to be kept loose -- in other words, anything that would only take 60 days to straighten out, that the Board plus the D/Pers would be able to act and make that judgment without tying ourselves to what the reasons are. Now if somebody is asking for three months because they want to catch a pay raise, then it goes up to the Director.

25X1A9a

██████████ Alan's point really is that the reason they want 60 days, one of the examples is catching a pay raise, and he suggests you include that as a reason - as one of the examples of the type of thing you want the 60 day authority for.

25X1A9a

██████████ I don't think this Board wants to be in the position of one week ruling against people who wanted to stay another month and then finding out two weeks later that we have this authority or the D/Pers has this authority to slide people over into-- We're going to look as though we don't know what we're doing.

25X1A9a

██████████ Right. I would personally favor taking

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this first case here and presenting it with the Board's recommendation -- and I assume everybody would be glad to give her this additional sum?

25X1A9a

[REDACTED] That is an assumption.

[REDACTED] Well, assuming they would. And it would go forward that the Board has recommended to the Director of Personnel that this be approved in order that she can catch this additional sum of money. And then see what happens to it. Then we would have some guidance -- and I think you (indicating [REDACTED]) would, too, even after you get your 60 day authority.

25X1A9a

25X1A9a

[REDACTED] Well, I can't speak for sure for the D/Pers, how he would react to that--

25X1A9a

[REDACTED] I still think you might find difficulty if you got the 60 days -- on the basis of what has happened in the past -- you know, to carry it up to the end of December, or something like that, for tax purposes.

25X1A9a

[REDACTED] We have one of those here today, too.
[REDACTED] That's fine.

Now the Director probably has never even been faced with this thing -- that Congress seems to be going in now for step raises, programmed raises - "And how about extensions to catch these?" So I think it might give some guidance how you do administer it.

25X1A9a

[REDACTED] I think we just have to raise the question of the equity of the others whose retirement dates fall within this same time period.

25X1A9a

[REDACTED] There are eight other people scheduled to retire then.

25X1A9a

[REDACTED] Should they (be penalized) just because they didn't happen to be bright enough or alert enough to put in a request for extension?

25X1A9a

[REDACTED] I think the first person that you catch that

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needs 61 days, or needs 75 days, is going to feel awfully--

25X1A9a [REDACTED] That doesn't mean we can't go forward on it and try to get the Director's approval.

25X1A9a [REDACTED] There are about ten altogether.

[REDACTED] Two on the 31st of May - who could say, "How about 60 days?" This would make it twelve. Then [REDACTED]

could say - "How about me?" - it's two and a half months--

25X1A9a [REDACTED] missed out on the cost of living adjustment.

25X1A9a [REDACTED] On the financial side of it, on the equity side of it, you could make a pretty good case for not countenancing any of these.

25X1A9a [REDACTED] Maybe I'm making an illogical distinction in my mind, but I don't have too much trouble on the tax benefit -- which is more substantial, which is for sure - which is for sure. But here we're talking about half a month's pay for this girl IF it becomes effective 14 July - and we think it will be passed in its present format, but we are not really sure yet -- which has enough doubt about it, that I'm weak on this one, frankly. Ultimately I'm thinking about Wattles having to say: And I recommend that you, the Director, agree to this 30 days --

25X1A9a [REDACTED] and he asks, "For what reason?"

[REDACTED] Suppose you have a GS-15 with 60 days accumulated leave to carry forward -- or maybe even more - because it's possible to have 90 days -- and by granting that one month extension you may be taking a pretty big chunk out of the system -- of course, it doesn't come out of the Retirement System, does it? But it does come out of the Agency, whereas the tax benefit comes out of the Internal Revenue Service.

25X1A9a [REDACTED] If he can make a case that his financial

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condition is such that this is going to make a difference, then he has legitimate grounds. That is what we're asking here, is that this be related to some criterion we recognize - such as hardship.

25X1A9a [REDACTED] I'd like to send forward the income tax one we have here, just to get an indication of how they will react -- there's one coming up here asking - "How about letting me go to the end of December so I can take advantage of the income tax benefit" -- but that is for sure, and there's a little more money involved, and it seems like a better case.

25X1A9a [REDACTED] But there is a big difference in that case. In that case they're arguing the needs of the service. There's no question in my mind on that one -- I'd extend right away on the basis of that one -- if we're talking about the same case. Are you talking about [REDACTED]

25X1A9a [REDACTED]. These are both Finance girls, who think of these things, you see.

25X1A9a [REDACTED] But in that case there is at least some statement of hardship, as I remember -- there's a lot more -- her annuity is much smaller. [REDACTED] annuity is \$370 a month,

25X1A9a whereas the one we're talking about is \$533 a month -- there's a considerable difference there. And the one we're talking about here has a lot more hours of accumulated leave - 351 hours; the other one has only 240. And [REDACTED] annuity "will be relatively small -- less than half of her high five-year average." I mean, I could stretch that one for a case of hardship and justify it on that basis. I'd even do that on this one if we could find--

25X1A9a [REDACTED] Well, do we have a motion that we could frame for another vote?

25X1A9a As you walked in, Alan, we were, I think, about to say let's table this case [REDACTED] for two weeks to see if we get

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the 60-day authority. And apparently your feeling (indicating Mr.

25X1A9a [REDACTED] is you would prefer going forward with this to get a judgment -- so I guess you have a motion which says you recommend that we request an extension?

25X1A9a [REDACTED] I request we recommend an extension and that the request point out what we are attempting to do is to increase her lump sum leave payment by \$88.00 and her monthly annuity by \$4.00.

25X1A9a [REDACTED] Don't you feel the argument on the monthly annuity is something that applies to everybody who is about to retire, and if they work another month it's going up?

25X1A9a [REDACTED] Yes.
Well, do we have a second for that motion?
I second it.

[REDACTED] Alan, would you take an amendment to that pointing out that up to this point the Board has not accepted this as criteria to recommend favorably the extension of an individual, but would like to do it in this case--

25X1A9a [REDACTED] The Board hasn't had such a case. Most of the others have been retroactive pay increases -- but this is a programmed one.

25X1A9a [REDACTED] Okay, apart from that is there a thought about whether or not we should take any action on the other people who might be entitled to this consideration?

25X1A9a [REDACTED] We just have to. I don't see how we can be that unfair to all these other people. And believe me, this was gone over, in at least one case, I know, with the individual and she argued very strongly for the increased benefits that would come after 1 July.

25X1A9a [REDACTED] How about just surfacing this in a memorandum? -- not dealing with a particular case but saying that between now and the 30th of June, or the 14th of July -- whatever the

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period is -- there will be 15 - or whatever is the number of people
that are scheduled for retirement, and several of them have requested
extension to 14 July in order to get the benefit of the next scheduled
pay increase in their lump sum leave payment. Then the Director
will have to indicate whether he will approve it or disapprove it.

25X1A9a [REDACTED] I understand you mean to indicate in this

25X1A9a memo that if he approves there will be some others coming up.

[REDACTED] Not deal with this particular case but
just deal with whatever the number of people that would normally be
retiring before the pay increase.

25X1A9a [REDACTED] I think I would rather see this kind of
25X1A9a exploration of it before we get to a Board action.

[REDACTED] So would I. I'd favor that, very
definitely.

25X1A9a [REDACTED] And I suppose in general we could cover the
one to two months for a tax break, as well.

25X1A9a [REDACTED] Wouldn't you want to keep them separate?
[REDACTED] Well, the first one is a kind of a one time
thing. Well, next year, too. But this business of trying to be put
over into the next tax year--

25X1A9a [REDACTED] And also, the next time Congress passes
a pay act they may do it in steps again.

25X1A9a [REDACTED] The two are very separate things. In the
case of the tax year, this is additional income that the individual gets
and if he is paid his lump sum leave during the calendar year he has to
pay tax on it and it may put him in a higher bracket -- which is totally
different from being paid leave in a lump sum at a rate higher than he
actually earned the leave. I think these ought to be kept separate. I
wouldn't favor putting the tax question into this one. I would go along
with what Alan said - get a reading on this particular situation and

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point out to the Director how many people are involved in this. But I think if we put the two together, if the Director disapproves this one he might disapprove the tax one.

25X1A9a [REDACTED] We will table this one now. Is there, then,
25X1A9a a motion that rather than surfacing this specific case [REDACTED] --
25X1A9a [REDACTED] I move that we recommend to the
Director of Personnel that he present this problem to the Director for
his decision.

. . . This motion was then seconded and
passed . . .

25X1A9a [REDACTED] So we're deferring the [REDACTED] case
25X1A9a for the time being?
25X1A [REDACTED] Yes.
25X1A9a The next case is [REDACTED] This is the
one that I feel is already covered within the approval in this Memorandum
signed off by the Director.

25X1A9a [REDACTED] Yes, I think it is.
[REDACTED] So I would like to suggest we not even discuss
it, and we will prepare a routine letter for the Director of Personnel.

25X1A9a The next case is [REDACTED]. She is asking for
what amounts to a 13 months and 10 days extension. I was just
interested what made 10 January so magic, but I can't find anything in
here that makes it magic.

25X1A9a [REDACTED] I can't right now say what is magic about the
10 January. But in this case we encouraged this lady to do this --
25X1A6a although she made the application in [REDACTED] -- to solve
a problem which is the same problem that was the basis for the recent
25X1A9a extension of [REDACTED] in [REDACTED] Because of
25X1A6a difficulty of filling the staff we are asking good people and trying to get

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good people to stay on a little longer. This is why we need Miss

25X1A9a [REDACTED] - and she was amenable to this, but without our prodding
I doubt if she would have submitted it.

25X1A9a [REDACTED] I move we extend her.
In doing this she will become eligible for
the CIA System. We probably ought to face this at the same time.

25X1A9a [REDACTED] I was going to say we ought to wait and face
that when they ask for it.

25X1A9a [REDACTED] Well, all right--
It's for the needs of the service. I find
no problem with that. We're granting her this extension because of the
difficulty of obtaining good linguists.

25X1A9a [REDACTED] I think the record ought to show, then,
the Board saw no problem with this. Because if her case comes up
before a brand new bunch of people and she turns out to be 62 years old
and is applying for membership -- I know in the past we said that is
prima facie evidence that's why they wanted to get the extra two years.
I'm just thinking about a new bunch of people on this Board.

25X1A9a [REDACTED] I understand, Alan -- but here it's almost
like an incidental comment in here, that it just happens that in August
she will also get her five years in. Anything can happen between now
and August 1969. This is way off. I wonder if we have to face up to it
now.

25X1A9a [REDACTED] I don't think we have to face up to it now,
but the record ought to reflect that we don't see that her age at that date
should disbar her from acceptance in the CIA System.

25X1A9a [REDACTED] Yes, that is the way I feel.
I would like to have that reflected in the
record.

25X1A9a [REDACTED] Yes, in the record -- but not in any way in the

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extension. Any objection to that? (No response.)

25X1A9a [REDACTED] made the motion to extend her.

. . . This motion was then seconded and passed . . .

25X1A9a

[REDACTED] And we will indicate, I would assume, that the DD/I has recommended and the Board and the D/Pers would concur

25X1A9a this will not extend beyond January, 1970.

[REDACTED] Right.

25X1A9a

[REDACTED] May I ask why we jumped over the

25X1A9a [REDACTED] case?

25X1A9a [REDACTED] He is one who was caught in - "I thought I could retire at 62, and then I was told 60" --

25X1A9a

[REDACTED] He was planning on 62 after he got his retirement letter, and nine months later he got another one saying: You are now expected to retire in two years.

25X1A9a

[REDACTED] The Director has already approved all of those -- so I'm just saying we can do it as a routine D/Pers action.

25X1A9a

[REDACTED] I agree -- that looked like a case of needs of the service and hardship.

25X1A9a

25X1A9a [REDACTED] This will apply in the [REDACTED] case, too.

25X1A9a [REDACTED] Yes. That's why I said maybe that case was stopped or held somewhere -- because we haven't received it. But as this memo reads, they still have to come in and ask for it.

25X1A9a

[REDACTED] Yes, they must come in and ask for it -- there must be a request -- and that's in the wording of that memo.

25X1A9a

[REDACTED] Could I have a quick reference to it there?

25X1A9a

[REDACTED] It's at the top of page 3 (referring to Memo for DCI, Subject: Retirement Policy, dtd 30 April 1968).

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25X1A9a [REDACTED] Paragraph c.(3), beginning at the bottom of page 2. And then the final recommendation, 4.c., on page 4, says: "Overall exceptions as indicated in paragraphs 3.c.(2),(3), and (4) above be approved."

25X1A9a [REDACTED] Okay. Now we have the case of [REDACTED]
25X1A9a I assume you have all read this. It's written on her behalf.

25X1A9a [REDACTED] I think this does a good job of spelling out the essentials of the case and the basis for a request for extension. This is quite different, I think, from the earlier case that we looked at.
25X1A9a (Referring to the [REDACTED] case.)

25X1A9a [REDACTED] It's almost impossible for an outsider to figure the taxes, because you don't know if she has other income. But if she has no other income, this is what would happen to this amount of dollars. It could be worse -- I mean, it could put her in a higher tax bracket, and that type of thing. But this is probably close enough to indicate--

25X1A9a [REDACTED]: I could find hardship here and grant it. ✓
[REDACTED] In fact, I was a little surprised they didn't come in for six months now, on the basis of this case. But they didn't.

25X1A9a [REDACTED] I'd like to put this one to rest once and for all. My own feeling is I would like to go forward with this one, and cite it for what it is, with the fact that it is a hardship case -- and not asking for a ruling --

25X1A9a [REDACTED] I don't think you need to ask for a ruling. We can grant it just on grounds of hardship. I wouldn't bring this one into that other one at all.

25X1A9a [REDACTED] No. I agree.
[REDACTED] In fact I would move that we recommend approval of this extension.

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25X1A9a [REDACTED] Second.

. . . This motion was then passed . . .

25X1A9a [REDACTED] I think the memorandum should say that in view of the small amount of her annuity that the (addition) of some \$230.00 of tax benefit by extending her for two months is the reason for our recommendation.

25X1A9a [REDACTED] Fine. Are you by implication saying, though, that if this was some GS-17 who had \$4,000 in annual leave, or \$6,000, as I understand there are some cases, that if his annuity was \$12,000 that you wouldn't recommend the same thing?

25X1A9a [REDACTED] Then I would bring it within your memo - or the subsequent memo you're going to write.

25X1A9a [REDACTED] I don't know. At age 62?
[REDACTED] No, at age 60 -- CIA Retirement.
[REDACTED] She will be 62 in several months. By the time she retires, I don't know that-- If you wanted to get that tax benefit you could retire earlier than 62 -- the previous January.

25X1A9a [REDACTED] Okay, we will cross that one, too, when we come to [REDACTED]
[REDACTED] Yes. It's each case on its own merits. We have a case here.

25X1A9a [REDACTED] Okay, we have an action on [REDACTED]

25X1A9a The next one is [REDACTED]

25X1A9a [REDACTED] I don't think there is any real basis here.
[REDACTED] Bertha, I think we have agreement now that on these refusals we're going to go forward with them--

25X1A9a [REDACTED] Yes, because we have no clear authority not to--
[REDACTED] We will start it out with a little bucksheet

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saying: We haven't been sending these up, but from now on we will -- we want you to know we don't rubber stamp all of them. So the turn downs will go along with the others.

25X1A9a

[REDACTED]: I haven't voted on anything.

[REDACTED] Really it's not up to the Board -- it's the D/Pers. I'm only advising you that heretofore when the Board has recommended to him that we not extend somebody, he has only written to that person and told him so -- but he's now going to advise the Director that the Board has recommended to him that the person not be extended, and that he concurs, so that the Director will get a feel

25X1A9a

of the numbers that are being turned down as well as those approved.

25X1A9a

[REDACTED] But Alan is saying he hasn't voted "no" on [REDACTED] yet.

25X1A9a

[REDACTED] I'm open for a motion, or discussion.

[REDACTED] I move that this man's request be disapproved.

[REDACTED]: Second. I'll second the motion based on our criteria.

. . . This motion was then unanimously passed . . .

25X1A9a

[REDACTED] Let me read paragraph 3 from the Minutes

25X1A9a

of a meeting on 30 January 1968, in regard to [REDACTED] (Mr.

25X1A9a

[REDACTED] then read from these Minutes)

Now, we have heard from the Clandestine Services that there is no other service that we could consider qualifying service -- but I'm not sure - are we clear that this is a man who very definitely has before him some additional qualifying service?

25X1A9a

[REDACTED] I can't say, Harry -- I'm not familiar with the case. Do you recall it, Mike?

25X1A9a

[REDACTED] No, I'm not familiar with it, but there

25X1A9a

is a possibility of his going overseas. I thought that is what [REDACTED]

had in mind.

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25X1A9a [REDACTED] There is the possibility of his going overseas?
It would only be on that basis that it would create a problem -- because
if we had a statement that there is not much chance of this man ever
going overseas--

25X1A9a [REDACTED]: What happens if he dies in the meantime?
[REDACTED] That's one of the problems.
[REDACTED]: We told Congress specifically-- Remember,
Congress was saying - wouldn't anybody get into the System if we do it
this way? and we said - no, because at the 5, 10, 15 year reviews if
they haven't picked up their service--

25X1A9a [REDACTED] If he died in the meantime he would be
entitled to it.

25X1A9a [REDACTED] No, not if he was removed.
[REDACTED] If he is held in anticipation of acquiring
qualifying service.

25X1A9a [REDACTED] The reason I brought this in, I have another
one in the DD/P - the case of a woman who has not met the 60 months,
and I'm going to have to ask for a memo on that one.

25X1A9a [REDACTED] I think we are all aware what the problem is.

25X1A9a [REDACTED] John, have you had any luck in coming up with something?

[REDACTED] I talked to Emmett about it, and we looked
at it pretty thoroughly, and the answer is there is no magic change in
the Regulation that will accomplish this. However, given any specific
case, sit on the papers for awhile, and if something happens that you
don't want to happen, go ahead and file retroactively. In some cases
this would be risky -- but if there is a specific case we can sit down
with [REDACTED] and work it out so we can hold him, if all the
circumstances are right.

25X1A9a [REDACTED] Well, again, Vern -- and, obviously, I
know your problem in assigning people overseas is even worse now than

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25X1A9a it was -- but, for example, if we had a letter saying that [REDACTED] will be leaving in July or August, I think that would be enough to hold him. Now I don't know that that is even possible -- but that is one avenue--

25X1A9a [REDACTED] I'll look into this.
Overseas assignment possibilities are shrinking somewhat, and that will make it-- How much trouble is it to transfer a person from one system to the other?

25X1A9a [REDACTED] I have a memo from the DD/P which says that he does not have and will not have it before 22 July -- and also another memo which says he has no domestic qualifying service.

25X1A9a [REDACTED] This hinges on, really, what the prospects are for going overseas in the fairly immediate future.

25X1A9a [REDACTED] Yes.

Alan, I can't answer your question -- I only have this feel for it that you do have to transfer funds from our System to the Civil Service System, and then if he subsequently qualifies, transfer it back -- and we haven't yet gotten over this hurdle of when they transfer it back they do not transfer the Agency contribution, so it tends to move us more and more into bankruptcy, so to speak, and we are obligated to pay them a full annuity but we're only getting half the contribution for that period of time he is out of the System.

25X1A9a [REDACTED] I would think it would be possible to set up some kind of an escrow account for those people who are likely to have additional qualifying service.

25X1A9a [REDACTED] We don't have to settle all the details. Finance has been working on this, along with Ben.

25X1A9a [REDACTED] The case has to be just right in all respects, because you don't want to hurt the man -- because under Civil Service in order to draw retirement you have to be a participant for a year before

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retiring--

25X1A9a

[REDACTED] They have to be deducting some retirement money--

25X1A9a

[REDACTED] So one of the limitations is it would freeze the man's choice. He might be eligible for retirement under the Civil Service System but if you hold him in the CIA System and he doesn't acquire the qualifying service, then he has to serve at least a year under the Civil Service System.

25X1A9a

[REDACTED] But what if he should die--

[REDACTED] If he should die there's no problem.

25X1A9a

[REDACTED]: We have one beyond the 15 year point --

[REDACTED] -- but he is overseas, and the Board determined we would forget it. He is supposed to get his five years in July.

25X1A9a

[REDACTED]: That's the kind of case where you have little trouble riding along with it.

John, aren't we really coming to the point that if the DD/P can't confirm that within the next six months to a year--

25X1A9a

[REDACTED] We're probably going to have to just transfer them.

New business?

25X1A9a

[REDACTED] Yes, go ahead.

[REDACTED]: Just a status report. The Agency - or the Director, specifically, wrote to Russell about our legislation, and taking a realistic view of what the situation was up there, we pointed out the widening gap in the cost-of-living bit and suggested that if Russell didn't see his way clear to go for the rest of the bill, how about this one item? He has written back he would go for that. So we have also gone now over to the House side saying let's go on the one item, cost of living -- and they have agreed to do so. Now, precisely when - again, I don't know -- but this makes it a lot easier and a lot

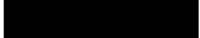
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more likely that we will get it this year, and precisely what we asked for. It will be retroactive. Now, our '65 retirees, for example, will get a boost of 12.2% retroactive to the date they retired. There are some side benefits in this, incidentally, just because of the way things work on the Hill. Undoubtedly next year Stennis will be Chairman of the Armed Services rather than Russell, and I foresee that he would not deal with our legislation the way Russell has - namely, in effect, in camera proceedings, with no true hearing. I think Stennis will have a true Committee hearing, and we've got a lot better chance of getting some of these other things that we are really after. Now that sounds a little optimistic, but I think it's warranted.

That's all.

25X1A9a

 Okay, fine. I have no other business. We stand adjourned.

. . . . The meeting adjourned at 3:20 p.m.

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